TN 853
.2 C6 P3 Litt.

CHARTER, ETC.,

OF THE

PEACH ORCHARD COAL COMPANY.

Ben Franklin Office Print.

[Cincinnati
1852].

LIBRARY OF CONGRESS
U. S. A.

CH-T-3379

CH-T-3379

TK805
.N26 P3
1908

PEACH ORCHARD
COAL LANDS
LAWRENCE CO. KY.

Big Sandy

Left Fork

Right Fork

Miller's Branch

Beans Branch

Wolf Pen Branch

Thick Coal

Coal Bank

Dwellings

Burgess Trustee Branch

Burnt Coal

Middle Tunnel

Rock Branch

Wolf Pen Fork

Right Fork Nats Creek

Nats Creek

Barn

Dwelling

House

Store

Saw Mill

Dwellings

Front Tunnel

Dwellings

South 2800 ft.

River

Ehrgott & Mentzel's Lith. Cincinnati.

THE PEACH ORCHARD COAL LANDS.

These lands are situated in Lawrence county, Kentucky, on the Big Sandy River, about 40 miles from its mouth, which is 155 miles above Cincinnati.

The tract is estimated to contain about 6,000 acres, all of which is so situated, that it may be sub-divided into smaller tracts to suit the wishes of purchasers or tenants.

The veins of Coal are from 5 to 6 feet thick, and of the best quality of bituminous Coal. For generating steam and for domestic uses, I consider it decidedly superior to any other Coal in the West.

It has now been in use in Cincinnati upwards of three years; and, in competition with all other Coals, has sold for 2 to 3 cents per bushel more than Brownsville, Wheeling, Pomeroy and Coal Grove Coals, and for the same price as the best Pittsburgh and Youghiogheny Coals.

I think this Coal Tract is *intrinsically* worth more, per acre, than any Coal Tract in the vicinity of Pittsburgh. My reasons are as follows:

1st. The quality of the Coal is superior to that of the Pittsburgh Coal.

2d. It is 195 miles from the Peach Orchard Mines to Cincinnati, and 500 miles from the Pittsburgh Mines to Cincinnati. Of course, the expense of running Coal from Peach Orchard is but little over one-third of that from Pittsburgh.

3d. Lumber for building Coal Boats at Pittsburgh costs $20 per thousand feet, and at Peach Orchard less than $10.

4th. The risk of loss in running Coal Boats from Peach Orchard is much less than from Pittsburgh. *There has never been a Coal Boat lost on the Big Sandy River, below Peach Orchard;* and Pittsburgh pilots consider their boats safe, when they get to the mouth of Big Sandy.

5th. The expense of digging and loading Coal is the same at Peach Orchard as at Pittsburgh.

The above statements will stand the closest scrutiny of practical Coal men; and, if they are true, can any business man arrive at a conclusion different from mine, as to the *intrinsic* value of these lands?

If my Coal can be dug and loaded as cheaply; if my boats for carrying it to market cost less; if they can be run to market with less risk; if the expense of running Coal to market is less; and if the Coal will sell for as much as Pittsburgh Coal, then is not the land out of which it is taken worth more than at Pittsburgh? And if the lands are *really* worth more at Peach Orchard than at Pittsburgh, can it take long, by proper publication of facts, to make them sell and lease for more?

Coal lands near Pittsburgh sell for $300 to $1,000 per acre, and lease for three-fourths of a cent per bushel for the Coal dug. A vein of Coal, 5 feet thick, gives about 200,000 bushels per acre.

Thus much I have said, as to the value of these lands in an unimproved condition.

I have expended about $80,000 in buildings, tunnels, entries, etc., and think I have the best arranged Coal Works west of the Allegheny Mountains.

I have 40 dwelling houses, a steam saw-mill, a steam grist-mill and carding machine, store house, shops, stables, etc. I have driven a tunnel through the hills, about a mile in length. I have over half a mile of Coal entries for rooms to work 100 diggers. My roads are all substantially built with heavy oak superstructure, and rails ironed with heavy, flat bar, railroad iron. Every thing is in complete order for loading from 6,000 to 8,000 bushels of Coal per day.

I think I can satisfy any man acquainted with Coal business, that Coal can be put into market, from these works, for 2 cents per bushel less than it can be done for from Pittsburgh.

My average nett profits during the four years I have been in the business, have been about 4 cents per bushel.

These works and improvements are so situated and arranged, that they may be carried on to any extent, without interfering with the sales or leasing of the unimproved part of the tract; and the unoccupied part of the tract may be so sub-divided as to make 50 coaleries to sell or lease.

I have a charter from the Legislature of the State of Kentucky, under which a Company may be organized for conducting the present works, improving the unimproved lands, etc. This charter is very liberal in its provisions, and I annex a copy of it hereto.

I also annex a map of a survey of the tract made by Henry Williams, Esq. WM. P. MELLEN.

Peach Orchard, July, 1852.

AN ACT

To Incorporate the Peach Orchard Coal Company.

Sect. 1. *Be it enacted by the General Assembly of the Commonwealth of Kentucky*, That there shall be and is hereby established at Peach Orchard, in the county of Lawrence and Commonwealth aforesaid, a Company to be denominated the Peach Orchard Coal Company, with a capital of two hundred and fifty thousand dollars, to be divided into shares of one hundred dollars each, to be subscribed and paid for in the manner hereinafter specified, which subscribers and stockholders shall be and hereby are created a body politic and corporate, by the name of the Peach Orchard Coal Company, from the time of the passage of this act until the first day of January, 1900; and by that name the said Company shall be competent to contract and be contracted with, sue and be sued, plead and be impleaded, answer and be answered unto, defend and be defended in all courts and places, and in all matters whatsoever, with full power to themselves and their successors to acquire, hold, possess and enjoy such lands, rents, tenements and hereditaments, goods, chattels, property and effects, as may be proper for conducting the business of mining and dealing in Coal, and to build such railroads for the conveyance of Coal to and upon the Big Sandy River; driving such tunnels through the hills from the Coal beds to be worked, to said river; building such mills and buildings, and making all such other improvements in said county of Lawrence or elsewhere, upon the Big Sandy River, as may be necessary for properly conducting the business of said Company: and

also, to sell, alien, demise, and convey, lease, mortgage and pledge any real or personal property and effects of the said Company in such manner as may be necessary in transacting and facilitating the business of the said Company; and the said Company may have and use a common seal, and the same alter, amend, break and renew at pleasure; and they shall, also, have the power of making, executing and establishing such by-laws, rules and regulations as shall be necessary and proper for the good government of said Company, and the prudent and efficient management of its affairs; *provided* the same be not inconsistent with the spirit of this act, nor contrary to law.

Sec. 2. That the real and personal estate, business, property, funds and prudential concerns of said Company shall be under the direction, management and control of a President and Six Directors; and after the first election, to be made as hereinafter specified, the stockholders shall hold a general meeting on the first Monday of June, annually, at such time and place, and under such rules and regulations as shall be specified by the by-laws of said Company; at which meeting the said officers shall be elected in such manner as shall be prescribed by said by-laws, for the term of one year, and until their successors are elected.

Sec. 3. That at every election, and at all meetings of the stockholders, held under the provisions of this Act, each and every stockholder shall be entitled to one vote for each share of stock he may own; and any stockholder not personally present at any such election or meeting, may vote by proxy, such proxy being a stockholder attending such election or meeting, and presenting his authority in writing from his principal: *provided* that, in case it should happen that an election of President and Directors should not be made on the day when, by this Act, it should have been made, this corporation shall not for such cause be dissolved, but it shall and may be lawful for such stockholders to make an election of President and Directors on any other day, in such manner as may be specified in the laws of said Company; and, in case of the death, resignation, or permanent absence of any one of said officers, his place may be filled by some stockholder, to be elected by a majority of the remaining members of the board.

Sec. 4. That the President and Directors, or a majority of them, shall have power to elect and appoint such agents, officers and servants under them, as they may deem proper; fix their compensation, define their powers, prescribe their duties, and remove them at pleasure.

Sec. 5. That J. L. Hyatt, Hamilton Smith and S. F. Bullitt, of the city of Louisville; J. W. Stevenson, J. B. Casey and J. H. Jamison, of the city of Covington, and William P. Mellen, Zattu Cushing and Archibald Borders, of the County of Lawrence, are hereby appointed and constituted commissioners to open books, and receive subscriptions for the capital stock of said Company, and to superintend the election of the first Board of Directors, which shall consist of seven Stockholders, who, after their election shall elect one of their number to be President of the said Company, which President and Directors shall hold their offices until the first Monday in June after their election, and until their successors are elected, as herein before provided for.

Sec. 6. That any of the above named Commissioners shall be competent to exercise the powers and perform the duties required of the said Commissioners, by this act. And they are hereby authorized at any time, after the passage of this act, by giving ten day's previous notice thereof, in one paper printed in the city of Louisville, and one paper printed in the city of Covington, to open books for subscription, for the Capital Stock of said Company, at Louisville, Covington, and such other places as they may deem expedient; and to keep such books open from week to week, or close them at one time, and open them at another, as shall be most conducive to subscriptions for the entire amount of said Capital Stock; and whenever the whole amount of said stock, or five hundred shares thereof shall have been subscribed for, then the said Commissioners or a majority of them, shall notify the stockholders of the amount taken, and shall proceed to hold an election of seven Directors, upon ten day's notice, in manner above specified, and said Commisioners or some three of them, shall preside at such election, and act as judges and inspectors thereof.

Sec. 7. That for every share of stock subscribed to the

said Company, the Commissioners or their agents shall receive at the time of subscribing, or before the election of the first Board of Directors, the sum of twenty dollars; the residue of such subscription shall be paid in such installments, and at such times as may be required by the President and Directors of the Company—and if any stockholder shall fail to pay any installment required to be paid as aforesaid, for thirty days from the time he shall have personal notice in writing of such requisitions; then the said President and Directors may, upon ten day's notice to such delinquent stockholder, of the time and place of the sale, proceed to sell such share or shares belonging to such delinquent, at public auction, to the highest bidder; who, upon presentation of his certificate, of said purchase, shall be entitled to a transfer of the share or shares so purchased by him, upon the books of the said Company, and proceeds of such sale shall be applied towards the payment of the balance of the purchase money, for the shares so sold, and if there shall be a surplus after such payment, the same shall be paid over to such delinquent, but if there remain a balance due on account of the subscription for the shares so sold, then the company may sue for and recover the same.

Sec. 8. The Stock of said company shall be assignable only on the books of said company, and shall be to all intents and purposes considered personal property, and no delinquent stockholder shall have a right to transfer any share of Stock which is not fully paid for, nor to vote at any meeting of the company on any share for which he may be delinquent; and all debts due from a stockholder to the Company shall be a lien upon the Stock owned by him.

Sec. 9. That no Stockholder, after the first election of officers, of the said Company, shall vote at any election of the officers of said Company, upon any shares of Stock which shall not have been transferred on the books of the Company for at least sixty days previous to such election.

Sec. 10. That the President and Directors shall from time to time make such dividends arising from the profits of the business of said Company as they may think proper. They may also make, alter, amend or annul such rules,

orders, and by-laws, for the government of the said Corporation, its agents, officers and servants, as they, or a majority of them, may from time to time deem expedient, provided that the same be not contrary to law, or to the spirit of this Act.

GEO. W. JOHNSON,
Speaker of the House of Representatives.
BEN. EDWARDS GREY,
Speaker of the Senate.

By the Governor, JOHN L. HELM.
JNO. W. FINNELL, *Secretary of State.*
Approved 10th day of February, 1851.

OFFICE OF THE SECRETARY OF STATE,
FRANKFORT, Feb. 13, 1852.

I, John W. Finnell, Secretary of State for the Commonwealth of Kentucky, certify that the foregoing six and a half pages contain a true and perfect copy of an act entitled "an act to incorporate the Peach Orchard Coal Company," approved Feb. 10, 1851, the original enrolled bill being now on file in my office.

In testimony whereof, I have hereunto signed my name and affixed the seal of the State, the day and year above written.

JOHN W. FINNELL,
Secretary of State.

[SEAL.]

Proposition for Organization of Company.

It is proposed to organize a company, under the foregoing charter, upon the following plan and conditions, viz.:

The whole land and coal tract, with all the buildings and improvements mentioned in the foregoing "Statement, &c." to be put in at cost, say $80,000. This, with an additional amount of $70,000 for a working capital, and for further improvement of the unoccupied Coal veins, to make up the capital stock, $150,000, divided into 1500 shares of $100 each. If any additional stock be sold, the proceeds of sales to be divided upon the original 1500 shares, in the same manner as other income or profits.

Each share shall be entitled to 200 bushels of coal per annum, at 8c. per bushel, delivered within the city limits, if taken from boats, or at 9½c. from yard. This is $6 on a share less than coal at 11c. per bushel costs consumers, which amounts to 6 per cent. per annum interest, on the cost of the share.

From my experience during the last four years, I can safely state, that the cost of my coal in boats here, cannot exceed 5c. per bushel. The cost of delivering cannot exceed 2½c. per bushel. This leaves ½c. per bushel profit, on coal delivered to stockholders.

Estimating 10c. per bushel as the regular price for sales to customers not stockholders, gives a profit of 2½c. per bushel upon such sales.

The present works are prepared to load 6000 to 8000 bushels per day. I think 1,500,000 bushels may be considered as the average annual quantity that may be run from these works.

Taking these estimates as a basis, the business from these works should pay as follows:—200 bushels on each share, for 1500 shares, is 300,000 bushels, which at ½c. per bushel profit, amounts to $1500; and leaves 1,200,000 bushels for sale to customers at a profit of 2½c. per bushel, which amounts to $30,000; making $31,500 profits, or upwards of 20 per cent. per annum, to be divided upon the stock, in addition to the $6 on each share saved in the cost of the coal.

By referring to the map of surveys, &c., it will be seen that these works can be carried on as above stated, without interfering with the leasing, or sales of that part of the tract lying above "Miller's Branch." There may be as many openings made in these hills as can be leased or sold. I feel confident that in the course of three or four years a sufficient number of tenants may be found to insure the mining of 5,000,000 bushels per year in addition to the Company's own works. The uniform rent near Pittsburgh is ¾c. per bushel. This on 5,000,000 bushels would amount to $37,500 per annum, in addition to the above. My reasons for supposing I can find tenants for this or a much larger amount, may be found in my "Statement &c.," to which this is appended.

WM. P. MELLEN.

CINCINNATI, September, 1852.